



## INSURANCE FRAUD INVESTIGATION DIVISION

### Kentucky Department of Insurance

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### *Fraud Statistics/Convictions Activity*

*July 2009*

#### Fraud Statistics

	<u>Month</u>	<u>YTD</u>
Total Referrals Received.....	122	666
Closed Referrals.....	0	451
Open Cases (Investigations-includes prior years)		235
Assigned Cases (Investigations).....	9	61
Closed Cases (Investigations).....	14	45
Closed Cases (Investigations) Exceptionally Cleared – Declined by Prosecutor.....	0	7
Charges (4 felonies).....	4	34
Convictions (2 felonies, 4 misdemeanors).....	6	51
Restitution Ordered..... \$	48,290.75	\$ 747,509.06

#### *Convictions Activity*

**Ronald L. Amis** – On 7/12/2000, Amis injured his back while employed by The Rental Depot, Inc., when he was installing a tent at the Louisville Bible College. He was awarded a lump sum settlement payment in the amount of \$36,473.58 based on a 15% permanent partial disability. Kentucky Employers Mutual Insurance (KEMI), the insurer for The Rental Depot, received a Motion to Reopen the claim, as Amis alleged a worsening condition to the point he was now totally restricted from any type of gainful employment. In a sworn deposition, Amis indicated he had not worked anywhere since his initial injury. Video footage for five days in 4/2003 depicted Amis performing multiple physical tasks, i.e., erecting a chain link fence,

carrying and climbing up and down a ladder, using a post hole digger, shoveling dirt, mixing concrete and carrying various heavy items. He was also observed moving large bags of mulch, truckloads of flowers, plants and a large tarp which he rolled up and tied with twine. On 3/28/06, Amis was indicted by the Jefferson County Grand Jury on one felony count of fraudulent insurance acts and one felony count of Perjury First Degree. On 5/29/08, Amis pled guilty to the Perjury First Degree charge with the felony fraudulent insurance acts charge being dismissed without prejudice. He was sentenced to two years diverted for two years and ordered to pay court costs in the amount of \$125.00 within 60 days. Restitution is to be determined.

**Diana S. Butler** – Butler filed a claim for lost wages under her Personal Injury Protection (PIP) policy with Kentucky Farm Bureau Insurance (KFB). On or about 4/25/05, Butler presented a fraudulent wage and salary verification form to KFB, indicating that she was employed when she was not. On or about 7/27/05, she presented a counterfeit work statement to KFB. On 10/16/08, Butler was served with a criminal summons for two felony counts of fraudulent insurance acts. On 11/19/08, Butler was arraigned in Jefferson District Court without counsel, and agreed to pay restitution in the amount of \$3,200.00 to KFB by 10/27/09. She was sentenced to 365 days conditionally discharged for two years. If restitution is paid in full, the charge will be amended to a misdemeanor charge of attempted fraudulent insurance acts over \$300. If restitution is not paid, Butler will waive to the Grand Jury. On 6/2/09, Butler pled guilty to the amended misdemeanor charge. Prosecution declined on the second felony count.

**Delbert A. Estes** – Between 9/15/04 and 12/2/04, Estes presented a fake or counterfeit certificate of liability insurance to Steve Parker, dba Parkers Homes, and received a benefit greater than \$300.00 in insurance premiums. On 5/5/09, Estes was indicted by the Henderson County Grand Jury on one felony count of fraudulent insurance acts. On 6/18/09, Estes pled guilty to the amended misdemeanor charge of fraudulent insurance acts, and was sentenced 12 months conditionally discharged for two years. He was ordered to pay a fine in the amount of \$760.00 for investigative expenses to the Fraud Division.

**Bonnie R. Thiel** – On 7/6/01, Thiel submitted an application for health insurance to Anthem Health Plans of Kentucky (Anthem). Thiel answered no to the questions on health problems and answered that she was taking only one prescription medication and was therefore issued a health insurance policy. Subsequently, it was learned that Thiel was being treated by a doctor for numerous health problems and had been taking numerous prescriptions on a monthly basis from 1/18/01 through 11/5/01. On 7/22/08, Thiel was indicted by the Marshall County Grand Jury on one felony count of fraudulent insurance acts. On 12/12/08, she pled guilty to the amended misdemeanor count of fraudulent insurance acts and was sentenced on 6/15/09 to 12 months conditionally discharged for 24 months. She was ordered to pay court costs in the amount of \$160.00 by 9/21/09, and restitution in the amount of \$3,334.66 in monthly payments

of \$500.00 plus a 5% restitution fee to the Circuit Clerk (\$25.00). She has paid the first \$525.00 monthly payment.

**Anthony Michael White** – On 11/2/07, White filed an insurance claim with Kentucky Farm Bureau (KFB) relating to a reported burglary/theft occurring at his place of residence. White reported a large number of items stolen which he knew in fact were not stolen and the insurance claim was false. The actual cash value of the reported stolen items was \$25,000.00. On 4/27/09, White was charged with two felony counts of fraudulent insurance acts in Fayette District Court. On 7/6/09, he pled guilty to the amended misdemeanor charge of attempted fraudulent insurance acts with the 2<sup>nd</sup> count merged. Restitution in the amount of \$26,110.00 was paid in full to KFB. White was sentenced to 12 months probated for two years.